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I cannot but recall with tenderness the great heroism of the Korean people during our encounter with the Communists on their land about a decade ago. The Koreans endeared themselves to the members of our military.

Dealing with the various areas of the world into which our military men have been sent, I do not know of any area where the people have commanded the affection of the troops of the United States as deeply as those in Korea.

With us today are two members of the opposition party of the Korean Parliament and one member of the majority party. Mr. Kil Chae-ho is a member of the majority party; Mr. Han Tong-Sok and Mr. Hong Ik-pyo are members of the minority party.

It is my honor and privilege to present these gentlemen of the Korean Parliament to my colleagues in the Senate. [Applause, Senators rising.]

TRUTH IN LENDING BILL WOULD HELP STAMP OUT COSA NOSTRA JUICE RACKET

Mr. DOUGLAS. Mr. President, last year Joe Valachi, the Cosa Nostra hoodlum, testified before the McClellan investigation subcommittee that he had made his living over many years by engaging in the illegal small loan business. It was disclosed that most of Valachi's customers were residents of his neighborhood and that they had been paying anywhere from 400 to 500 percent annual interest in order to borrow money through the Cosa Nostra.

Valachi's testimony also disclosed that the loan shark racket, or "shylocking" as I understand it is called in the Cosa Nostra, is a primary source of income for the crime syndicate.

Yesterday the Chicago Sun-Times exposed another sordid chapter of the involvement of the Cosa Nostra in the illegal small loan racket. In the Midwest the Cosa Nostra's small loan activities are known as the "juice racket." Yesterday's Sun-Times article explains in detail exactly how the racket is working in Chicago and also explains why the most recent attempts to convict hoodlums in the juice racket have failed.

One of the side benefits of S. 750, the truth in lending bill, which has now been stalled in the Senate Banking and Currency Committee, is that it would help stamp out the Cosa Nostra's small loan or juice racket.

The bill requires that all lenders fully disclose to the borrower in writing the costs of the loan or credit transaction. The finance charge would have to be stated in two ways, in terms of the dollars and cents charge and in terms of the true annual interest rate. Thus, the Cosa Nostra's juice men would be required to put in writing the fact that they are charging exorbitant interest rates, as high as 1,000 percent per year, according to the Chicago Sun Times. However, if, as is most likely, the Cosa Nostra refused to disclose the cost of credit to the borrower as required by the proposed truth in lending law, the Justice Department would then

be able to move against the crime syndicate for willful failure to comply with this Federal law. Thus, a Truth in Lending Act would, like the income tax laws, serve as a valuable adjunct in the arsenal of weapons to help stamp out the organized crime syndicate.

I hope that the Banking and Currency Committee will meet soon so that the members of the committee will have an opportunity to vote on the bill and so that the Senate may have opportunity to express its will on what I think is a vitally needed reform measure.

Mr. President, I ask unanimous consent that the article from the Chicago Sun Times be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUICE LEDGERS DISCLOSE \$111,000 PROFIT IN YEAR

(By Ray Brennan)

Documentary evidence that two accused syndicate hoodlums collected \$390,225 from the juice racket in a year has been obtained by the Sun-Times.

Records of 127 underworld loans had been kept—ill advisedly, investigators said—by two former Chicago policemen turned mobsters.

The payoffs, enforced by violence and threats, were made by unhappy victims who borrowed a total of \$278,780. The profit came to \$111,445—with no income taxes paid, presumably.

Accountants said the true figures undoubtedly were much higher because records of many additional loans were destroyed after they were paid in full.

LEDGER SHEETS

Confiscated by police intelligence division men were ledger sheets showing detailed figures on 127 loans. All were examined by a Sun-Times reporter.

One of the account sheets was disclosed weeks ago, but the others were kept secret. Police, the State's attorney's office and the justice department had the only copies.

The ledgers showed loans ranging from \$100 to \$31,000, all at exorbitant interest rates of up to 20 percent a week. The borrower of \$3,100 agreed to repay \$4,100, for example.

Investigators said the loan sharks' net returns would have been multiplied many times had not the police crippled the mob with arrests last December 9.

Collections stopped at least temporarily, at that time, with tens of thousands of dollars in principal and interest remaining unpaid on the underworld loans.

KEEPERS OF THE BOOKS

The keepers of the books were identified as Chris (Dick) Card, 31, a 210-pound bruiser, and Albert A. Sarno, 29, who poses as an Oak Park homebody and family man.

Two weeks ago, they and three other defendants were acquitted of kidnapping, torturing and robbing a borrower, Joseph Weisphal, 47.

Weisphal, an ex-convict and financial misfit, became the first Chicagoan ever to dare go to the law against the juice terrorists. He has predicted he will be murdered as a result.

Cardi and Sarno were paid employees, hired to make collections by terrorism, and the big money went to their bosses in organized crime, investigators said.

LEGAL TECHNICALITY

Ledgers were excluded as evidence at the Weisphal trial. Law enforcement officials

have called the acquittals in the case the worst jolt to justice here in 25 years.

From the records could be read stories of how the gangsters used the juice racket to grab control of legitimate businesses. That angle reportedly is under investigation by the Senate Rackets Committee.

Businessmen, in emergency trouble and desperate for cash, apparently borrowed from the loan sharks as a last resort. Some of those borrowers fell hopelessly behind, and the gangsters took over their properties.

By such merciless usury, the mobsters got control of a big West Side restaurant, a North Side bowling emporium, and other enterprises, investigators said.

Most of the borrowers were persons with almost total financial irresponsibility, the ledgers kept by Sarno and Cardi indicated. They included ex-convicts, drunks, compulsive gamblers, forgers, and thieves.

Often they paid the face value of their loans many times over in weekly juice and still remained in debt for the original amounts. Instructions from the enthusiastic collectors were blunt:

COSA NOSTRA BOSSES

"Bring in the money. We don't care how you get it, but bring it. Rob a place. Cash a bum check. Send your wife out on the street."

Cardi and Sarno were only two of many collectors employed by two Cosa Nostra bosses—little William (Wee Willie) Messino, 45, and tall, balding Joseph (Joe Gags) Gagliano, 49—investigators declared.

Nobody knows the magnitude of the racket, but it was big enough to have caused at least eight murders in 4 years, police officials said.

A detective posing as a mobster obtained the records from Cardi's home at 5241 West Jackson within a few minutes after his arrest.

The hoodlum's wife gave up the documents after the detective told her: "Dick has been arrested and the boys want the books before the cops get here with a search warrant."

Intelligence division men, led by Sgt. Michael O'Donnell, have worked on the figures for 6 months. They have provided leads for future prosecutions.

BARRED AT TRIAL

But Judge Nathan M. Cohen ruled them inadmissible at the trial of Cardi, Sarno, Messino, Gagliano and John (No Nose) Di-Fronzo, 35, because they were obtained by trickery.

One of the sheets showed that Weisphal, the fast-talking ex-convict and check forger, borrowed \$1,000 early in 1963 and agreed to pay back \$1,800 at \$50 a week.

Weisphal probably would have been laughed out of any Chicago bank or legitimate loan agency, if he applied for a loan. His credit was nil. He hadn't worked steadily in months. He had no honest income potential.

But to the juice racketeers, Weisphal was a good risk. He was an accomplished confidence man. He had cashed hundreds of worthless checks around the country and he could be persuaded to cash more.

Because of his long criminal record, it was unlikely that he would complain to the law.

THE 13 WEEKLY PAYMENTS

Weisphal made 13 regular weekly payments for a total of \$650, the record showed. Each Tuesday he went to the mob's headquarters in a restaurant on West Chicago Avenue and left the money in an envelope for "Willie," the exconvict said.

He had been passing bad checks to pay the juice, and he was arrested on a Highland Park charge. The gangsters got him out on bond and, he said, Messino told him to go

Weisphal got deeper in debt. The ledger reflected it when the loan sharks required

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him to have his red-haired girl friend cosign a note for \$2,000 in her home on North Pulaski.

He got his final lesson on July 12, Welsphal said, when he was kidnaped and tortured for 10 hours. The ledger showed he paid off \$250 after that—and then he went into hiding and to the police.

Assistant State's Attorneys James J. Flynn and Louis B. Garippo planned to use the ledger material to corroborate Welsphal's testimony at the trial of the five defendants. The law blocked them.

ANOTHER SHEET

Another ledger sheet on which the prosecution relied bore the name of Mrs. Frances Mondzyk, then of 1011 North Laramie, wife of a man often arrested for jewel robberies. She borrowed \$500 and agreed to pay \$25 a week in juice alone, the record showed.

Mrs. Mondzyk paid off faithfully for 14 weeks. The mobsters had collected \$350 from her, but she still owed the original \$500. Another \$25 was due on December 9.

That was the date of the arrests. Mrs. Mondzyk, in common with other debtors, got a respite. Whether she resumed payments since the acquittals is unknown.

Her name was found by chance in the possession of John Lang, a Lombard attorney who testified for the defense in contradicting some of Welsphal's story. Evidence was offered that she made "Willie" payments in the West Side restaurant, but it could not be backed up with the ledgers.

THE \$80 WEEKLY IN JUICE

Another ledger sheet covered the account of a West Side man who borrowed \$800 and agreed to pay \$80 weekly in juice. He turned over \$1,960 to the gangsters, according to the record, and he still owed \$800 at the time of the intelligence division arrests.

There was a mysterious character identified only as "Doc" who obtained \$20,000 from the racketeers on December 21, 1962. He paid back \$22,000 a day or two later, the record indicated.

Investigators said he probably was a professional man who needed money desperately for some illicit purpose, and went to the juice men until he could arrange a bank loan or mortgage.

Three sheets covered loans to a Tom Smith, with no address or other identification. On his final account sheet, he was shown as paying \$330 a month on a \$3,000 loan, including \$500 juice and still owed \$1,300 on December 9.

EYE BANK NETWORK OF "HAM" RADIO OPERATORS

Mr. MILLER. Mr. President, on May 17, the Picture magazine of the Des Moines, Iowa, Sunday Register published an article on an unusual program, the brainchild of two Iowans.

Written by the able Reporter Ed Heins, it tells the story of the role of an eye bank network of ham radio operators in providing communication between eye banks throughout the country that have corneas, and those that have emergency needs but no local supply.

According to the article, the original idea and the organizing force in making the network a reality came from Dr. A. E. Braley, head of the State University of Iowa Hospital's eye department, and Ted Hunter, a psychology professor and inventor at the university.

This warm story merits the interest of everyone who believes in humanitarian efforts by those who care.

I ask unanimous consent that the article entitled "Amateur Radio Links

Donor and Receiver as Amazing Eye Bank Network Saves Iowan's Sight," may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

AMAZING EYE BANK NETWORK SAVES IOWAN'S SIGHT

(By Ed Heins)

Two years ago, an Iowan lost his sight because the State University of Iowa eye bank in Iowa City didn't have a cornea available for an emergency transplant operation. This year, Ralph Paysen, of Camanche, a student at Iowa State University in Ames, underwent a similar emergency. But, this time, the eye was available in time.

The difference: the unique eye bank network.

Ham radio operators in cities across the country which have eye banks have banded together to provide an eye clearinghouse. The network provides communication between eye banks that have corneas and those that have emergency needs but no local supply.

The original idea and the organizing force which made the network a reality came from two Iowans, Dr. A. E. Braley, head of the State University of Iowa Hospital's eye department, and Ted Hunter, a psychology professor and inventor at the university.

MORE THAN 50 CITIES NOW ON THE NETWORK

After the Iowan lost his sight 2 years ago because there was no cornea available, Dr. Braley and Hunter decided to do something about it. The supply problem occurs because transplant operations must take place within hours after an eye donor dies. Doctors haven't been able to preserve the eyes for long periods as they can blood for transfusions. Although the Lions Clubs across Iowa, who sponsor the Iowa Eye Bank, have signed up thousands of potential donors, an Iowa donor's eyes aren't always available at the exact time an emergency occurs.

But, Braley and Hunter felt there would certainly be an eye available somewhere in the country if they could just inform the other eye banks of their needs. The communication answer was a natural for the two because they are both amateur radio operators with ham friends across the country.

The network first went on the air in December 1962, with 15 stations. The network now involves ham operators in more than 50 cities.

THE RESPONSE WAS IMMEDIATE

Braley and Hunter join with two others, Dr. C. D. (Kip) Adams and Gene Weiner, to man the Iowa City station on the ham network.

Ted Hunter says, "The eye bank network arranged for transportation of 270 eyes for emergency operations from the time we started until the end of April this year."

He adds proudly, "I don't think we've ever missed getting an eye for an emergency."

Only emergency requests are put on the network on the regular 7 a.m. and 7 p.m. programs. There is a minimum of conversation during the twice-daily sessions, with only those operators who need eyes or who have some doing the talking.

It was 7 p.m. early in April when Dr. Braley came on the network to ask for an eye to use for the corneal transplant for the Paysen youth. The response was immediate from Omaha. By the next morning, the eye had been shipped to Iowa City and the operation was undertaken.

Paysen went home late in April to recuperate. He plans to stay out of college until next fall when he'll be back at Iowa State.

The network has been fine but it wasn't accomplished without effort on the part of many people. Braley says one of the problems dur-

ing the early days was in getting cooperation from the doctors in eye banks in other cities. "The doctors didn't understand that ham operators could actually communicate anywhere in the country," he explains.

THE BLIND HELP, AS DO THE CRIPPLED

The Iowa City station had a chance earlier this year to take part in one of the most distant shipments of eyes. An Iowa donor's eyes were used to save the sight of two young girls in Hong Kong. Arrangements for the shipment were handled by ham operators of the eye bank network.

Many of the hams are handicapped. Travis Harris, the Oklahoma City contact, is blind, as is the radio operator at Topeka, Kans. Jim Breckenridge at Denver is crippled with war wounds.

But young Ralph Paysen, recovering from his operation on his family's Clinton County farm, is good evidence that the hams across the country know how to make their system work.

SITUATION IN SOUTHEAST ASIA

Mr. MILLER. Mr. President, like all other Americans, I am hopeful that out of the top-level talks recently held in Hawaii will come the assurances of more definitive action to end the demoralizing situation existing in southeast Asia.

I hope that the talks will not result in substituting more impatient motion for considered solutions. I hope that any decisions forthcoming will portend the end of the kangaroo foreign policy which appears to be the basis of our operations in so many parts of the world—a policy premised upon a determination of how many ways it can jump without pursuing a definite course.

The problem in southeast Asia, as now appear to be recognized, cannot be shoved aside until after the elections in November. Now is the time for firm action, unless we are willing to reconcile ourselves to the belief that all is lost in southeast Asia, especially in South Vietnam and Laos.

As New York Times Correspondent Peter Grose observed last Sunday, the danger we now face in southeast Asia is a psychological collapse. If we cannot shore up the sagging morale by firm action demonstrating that we believe in the cause of freedom, then we may as well withdraw from southeast Asia.

Let us hope that whatever action we may take will not be too late.

I ask unanimous consent that the New York Times article of May 31, entitled "The War in South Vietnam: Even Optimist Is Gloomy," may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE WAR IN SOUTH VIETNAM: EVEN OPTIMIST IS GLOOMY

(By Peter Grose)

SAIGON, SOUTH VIETNAM, May 30.—In South Vietnam today it is the optimists who think the war will be a long one. Pessimists look for some critical decisions much sooner. They fear that political developments in South Vietnam will bring an end to 10 years of pro-Western government.

In between are those who look for a deliberate extension of the campaign—a rebarbative perimeter in southeast Asia to present a more tenable line of defense against Chinese Communist expansionism.

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[In Dalat, four generals who were members of the former ruling junta were freed, reliable Government sources reported. They were arrested when Maj. Gen. Nguyen Khanh seized power in Saigon January 30.]

To all observers it is clear that the Vietnamese-American war effort against the Vietcong is in serious trouble.

NO SUDDEN DETERIORATION

Nothing drastic has just happened in South Vietnam; there has been no sudden deterioration. If anything the last 4 months under the Government of Premier Khanh have been scattered and superficial improvements in many important sectors.

Nor does the trouble arise from a fear of imminent military defeat. The Communist insurgents have shown increased military capability in recent months, but their own propaganda organs are the first to concede that a purely military decision is well beyond their grasp.

The danger the Vietnamese and Americans alike now fear is a psychological collapse.

Internally, there is a clearer manifestation of weariness with a war that seems to lead not to peace but only to more war.

Externally, there is turmoil in neighboring Laos and Cambodia and the feeling that if any new international negotiations are undertaken concerning those countries, readjustments in South Vietnam will naturally follow—and not necessarily to the benefit of the West.

External psychological pressure comes also from Paris, where President de Gaulle points the way to just the neutralism that the pro-American leaders here fear most. It also comes from the United States, where an election campaign indicates that Americans are far from united in support of a long and costly war.

Compared with 4 months ago, or even a year ago, the most cheering fact to American observers is the character of South Vietnam's Premier, the jaunty young general who took power last January 30.

"Under General Khanh this country has a better government than at any time in past years," said a senior American policymaker.

It was a year ago that Buddhist opposition to President Ngo Dinh Diem flared into the open and started the crisis that led to his downfall last November. General Khanh supplanted the junta that had ousted the Ngo family's regime.

General Khanh's energy and swift footwork have not flagged since the day he seized power in the inauspicious circumstances of a coup d'etat that no one seemed to expect or want.

Against many predictions, he has kept several steps ahead of those who wish him ill. The idea of another coup or of a reshuffle under the threat of force seems less and less attractive—except to those who see that as a way to end the war.

Assassination is a different matter, but for a man undoubtedly in this danger, General Khanh seems amazingly relaxed and confident. He has two houses in Saigon and lives in one or the other without a fixed pattern. Avoiding the tight security that used to surround Mr. Diem, General Khanh is easily accessible and frequently mingles with the people.

The Premier quickly found a loyal supporter in the U.S. Secretary of Defense Robert S. McNamara who, associates say, has stepped out of character to become personally, even emotionally, committed to the 36-year-old general.

"If anyone can do the job here, Khanh is the man," said one Washington-based official. To observers here the "if" clause weighs heavily.

The hard truth is that

seems to have nothing keeping him in power except his own shrewdness—and U.S. support.

American fieldworkers report that the name of Nguyen Khanh and the picture of the round-faced man with the little goatee have become more familiar to people in the countryside but have failed to arouse any feeling of loyalty.

"He seems to be just another man at the top," said one civilian official in the provinces.

There is no evidence of a widespread willingness to fight for Nguyen Khanh or, for that matter, for any government Saigon has offered in recent years. This fact alone indicates the size of the task confronting those who are trying to mobilize the civilian population.

Premier Khanh's efforts to establish a strong political base of support, if only among the politically articulate of Saigon, have failed to make even 4 months' worth of progress.

POLITICAL PROBLEM BIGGEST

In relaxed moods General Khanh admits that the political side of his job is the one that gives him the most trouble and the one that, as a former army field commander, he least reckoned with.

Since the January 30 coup the main political voice has come from the old Dai Viet, or Greater Vietnam Party, a nationalist and anti-Communist movement dating from the 1930's.

But the Dai Viet cannot speak with one voice. Through years of clandestine activity while the party was illegal before and during the Ngo regime, its allegiances have become fragmented and tenuous.

The recognized leader of the predominant faction is the quiet and unimposing Nguyen Ton Hoan, General Khanh's Deputy Premier for Pacification, who rushed home from his Paris exile within days of the January coup expecting to be Premier.

When General Khanh saw that the naming of a prominent politician to the top position would only alienate all other groups, Mr. Hoan had to be content with a second-rank job. His relations with General Khanh have frequently been abrasive, but, despite the urgings of some of his followers, he has chosen to stay in office.

AMERICAN BLIND SPOT

U.S. officials who long tended to overlook Vietnamese political activity as simply the "gubbling of civics students" are suddenly realizing their fault. If the politicians are not capable of governing, it is recognized, they and their army contacts are fully capable of delivering the coup de grace to the pro-American, pro-war government.

Except for leading members of the Dai Viet, few political figures have rallied to the Khanh government. Their argument is that they want to wait and see—to see whether the Khanh government really intends to pursue the social revolution that the overthrow of the autocratic Ngo dynasty was to unleash.

Observers, both foreign and Vietnamese, see a more unsettling motive behind the unwillingness of ambitious political figures to be associated with Nguyen Khanh and Robert McNamara.

Through 25 years of war and political upheaval—the adult life of most Vietnamese public figures—the instincts for self-preservation have become highly developed. A few Vietnamese given to frankness will acknowledge their attitude to close friends.

"If the Communists or neutralists take over here, I do not want to be identified with the war government," said one.

The implications of this belief explain the new-found interest of Americans like Ambassador Henry Cabot Lodge in the intricacies

NEUTRALIST FRONT USED

The mechanism for the Communists' planned takeover of South Vietnam, working under the guise of neutralism, is the National Liberation Front of South Vietnam the political organization of the Vietcong.

The second Indochina war was already well underway when this revolutionary party was founded with North Vietnamese guidance on December 20, 1960.

At its first congress in February 1962—held, by coincidence, in the week that the U.S. Military Assistance Command was established in Saigon—the front affirmed the political goals it still retains: the end of the war, the withdrawal of all U.S. troops and the establishment of a neutral area in Indochina comprising South Vietnam, Cambodia, and Laos.

Advocates here and overseas of a neutralist solution can put forth many arguments, but one cannot be that it is a compromise since neutralism is what the Vietcong have announced they are fighting for.

The president of the National Liberation Front is a Saigon lawyer, Nguyen Hu Tho, who, his friends say, entered politics in March 1950, when he led an anti-French demonstration. Formerly a prominent figure in Saigon, Mr. Tho is well known to most politicians now active here.

LEADERS CONSIDERED OUTLAWS

Leaders of the front are, of course, considered outlaws by the Saigon authorities. They are believed to operate between the North Vietnamese capital of Hanoi and the front's headquarters in Cambodia.

Two key questions about the front are preoccupying intelligence officials: What success is it having in winning non-Communist Saigon politicians over to its antiwar platform? How does France's advocacy of neutralism relate to the same policy of the front?

Evidence on either point is hard come by. French involvement with the front, and even with the Vietcong fighting forces, has been rumored without proof.

General Khanh has charged that French agents were active with members of the former military junta to introduce a neutralist settlement. Three Frenchmen were quietly expelled 2 weeks ago; one of them a 36-year-old teacher said to have led a society of students and intellectuals advocating neutralism.

In April a well-qualified American military adviser in central Vietnam reported that he had spotted a white man who spoke French accompanying a Vietcong unit of about two companies along a remote road.

EVIDENCE IS OBSCURE

Earlier this year a well-known French officer living in Saigon was seen in several hamlets in the Mekong Delta openly advocating the policy of neutralism.

Evidence on contacts between the National Liberation Front and Saigon politicians is even more obscure. The politicians themselves acknowledge that these contacts exist, both through friends in Paris and Phnompenh, the Cambodian capital, and through Vietcong agents in Saigon.

Even the anti-Communist Dai Viet does not escape these suspicions.

The immediate purpose of the front's activity is to bring about a government in which members of the front, or Communist sympathizers, would participate alongside other parties, the classic prelude to a Communist takeover.

There is a third force in South Vietnam that shows more cohesion and countryside strength than either of the others: Buddhism, the family religion of about 70 percent of the people.

The display of Buddhist loyalty and or-

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week was awesome. Ceremonies across the country recalled that it was Buddhists who first opposed Mr. Diem successfully. Indeed, many observers credit them with having brought about his downfall through pressure on the army.

BUDDHIST-CATHOLIC TENSIONS

Buddhism triumphant has angered many Roman Catholics, even those not closely identified with the Catholic-dominated Ngo regime. Buddhist-Catholic tensions may flare at any time despite pleas of moderation from both sides' leaders.

No one—perhaps not even the Buddhist leaders themselves—appears to know where the Buddhists will turn next. Their stand is not against the government, nor is it for the government. The belief is that as Buddhism goes, so goes Vietnam.

On the military side of the struggle, there is no indication that any amount of aid can enable the government to defeat the Vietcong except after a long period of concerted political effort at the hamlet level. However, time is a luxury neither Saigon nor Washington can reasonably expect to be granted without the intervention of external developments.

By the same token, the Vietcong are incapable of forcing a military decision so long as the government controls the air with American planes. Military and other moves thus assume importance mainly for their psychological effect.

Acts of terrorism in Saigon and in the countryside have received wide attention in recent months. President Johnson cited an upsurge in terrorist activities as a main reason for increasing aid to the Vietnamese war effort.

In fact, terrorism for specific psychological purposes has been a principal Vietcong weapon since the insurrection began in 1957.

VIETCONG MILITARY PATTERN

The Vietcong military pattern is the same both in the strategic Mekong Delta, where the bulk of South Vietnam's population, which exceeds 15 million, is concentrated, and in the central provinces. The pattern is economy of effort to produce maximum psychological gain and a reluctance to engage in any actions that would make them vulnerable to large-scale action, particularly from the air.

In the southern provinces, the Vietcong have found one answer to the drawback of vulnerability—the sanctuary of Cambodia. It is no coincidence that most of the spectacular recent Vietcong attacks have taken place within reach of the Cambodian frontier.

The South Vietnamese Government, relying on detailed intelligence reports, has charged that the Vietcong are using Cambodian territory systematically to train and regroup their forces and launch attacks. Cambodia has denied the charges.

The proposal to station a United Nations force along the frontier is aimed at ending any tactical aid to the insurgents. As such it could remove one source of Vietcong strength in the delta, though there is little reason to think longstanding Vietcong bases and support in the villages would suffer significantly.

Another situation outside South Vietnam has affected the Vietcong military posture in the central provinces. This is the question of Laos, specifically the control of the Laotian border area along a strategic highway route that has been used by the pro-Communist Pathet Lao forces.

ROUTE FOR INFLATION

This has opened a relatively direct way for political infiltrators from North Vietnam. They have been detected in propaganda and terrorist activity all the way to the coastal plains, once tightly controlled by Saigon.

This is the tense and insecure military position from which General Khanh, aided by the United States, is starting a long-neglected bid to win back the countryside.

It would take time for the best army in the world to make headway against insurgents entrenched in the hamlets during the years of Government inaction. The South Vietnamese Army is clearly not the best.

Most observers believe that the army's doubts and confused loyalties are merely reflections of the insecurities that affect the population at large.

Premier Khanh has been widely criticized abroad for many of his command changes with consequent dislocations that interfered with vital tasks. Some have indeed been disastrous, but in less spectacular positions, the many of his changes have been for the good, in the opinion of American advisers.

On the other hand, one of the main domestic criticisms has been that General Khanh has not replaced enough of the subordinate officials left over from the Ngo regime.

American reactions to events in Vietnam are watched with acute interest here, for the Vietnamese know that decisions critical to the fate of southeast Asia lie in Washington.

After Senator HARRY GOLDWATER discussed ideas about the use of atomic bombs in Vietnam, a local newspaper editor called up an American correspondent in a mixture of despair and anger.

"What kind of information are Americans getting that they could have such ideas?" he asked. "Don't they realize there are no military targets in this war?"

Recent impressions issuing from official Washington seem to observers here to be closely related to the presidential election campaign.

When pessimism appeared in statements after Mr. McNamara's last visit, it was not derived from any new military or political crisis here. It seemed, rather, to follow upon the realization that the problems here cannot be pushed aside until after the election and that the full dangers of the gradual erosion of recent months should not be underplayed.

The American effort is going through much the same phase of reorientation and improvement that Premier Khanh is giving to his Government—with the concomitant fear that it may be too late.

Some of the best American efforts have gone unnoticed recently, because, as one senior official pointed out, "they were to prevent catastrophes which then did not occur."

Officials from Secretary McNamara down seem committed to the strategy of pacification through civic and political action rather than relying on purely military moves. Little more than lipservice has been paid to the policy for years.

SENATOR WILLIAMS OF DELAWARE—THE LONE WOLF GUARDIAN OF FEDERAL MORALITY

Mr. MILLER. Mr. President, yesterday the Senator from Pennsylvania [Mr. SCOTT] had printed in the Record an article from the June issue of Fortune magazine, which is highly complimentary to the senior Senator from Delaware [Mr. WILLIAMS]. It is a tribute richly deserved by my colleague, who has a reputation second to none in ferreting out wrongdoing in the Federal Government.

I join heartily in the sentiments expressed by the Senator from Pennsylvania.

TRUTH IN LENDING

Mr. ROBERTSON. Mr. President, the recent statement of the distinguished senior Senator from Illinois [Mr. DOUGLAS], that it is necessary to pass his "confusion in lending bill," because State laws are no good and State officials are no good, is typical of what is happening on the floor of the Senate. The Senator tells of a crime organization which is openly and blatantly violating the lending laws of his own State, but he says that we must have his bill to control the situation if we are to have any law enforcement.

There are many State laws and statutes for the protection of civil rights, and there are many provisions in the Federal code; but we are told that State laws are no good, that if there is a local jury in a Federal court it is no good, and that we must have a law creating new crimes and placing them in the hands of a Federal judge to impose the penalty—all because, so we are told, State laws and State juries are no good. A proposal has even been made—on the theory that States can no longer be dependend upon to send honest men to the Senate—that we must have a new code; that we must have a group in the Senate to pass on one's honesty, that a Senator must disclose almost every detail of his income and make the information public and available to the press, to all the pressure groups, and to all his opponents as well.

The charge has been made that the lending bill has been stalled in the committee. Those were the words of the Senator—

Mr. DOUGLAS. That is correct.

Mr. ROBERTSON. All right. I referred the bill to the Senator's subcommittee, and his subcommittee stalled it for more than 4 years. He was partially responsible for the stalling, because after he resorted to the unprecedented procedure of going to New York, Boston, and elsewhere for hearings, he held up the printing of the record of the hearings for 7 long months. Now, suddenly, the Senate cannot meet in the morning without the charge that the committee has stalled his bill.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERTSON. Think of it. More than 4,000 pages of testimony have been taken before the Banking and Currency Committee, and a similar bill pending all that time on the House side, not one witness has testified on the House bill. All the States in the Union have had the privilege of adopting a bill like S. 750, and not one would adopt it. But the States are no longer any good, we are told. The Federal Government must move in and legislate if we are to save the Nation. This is one instance in which, without any constitutional authority, we are told to do so.